

**This submission to the Queensland Competition Authority has been lodged by Tony Menkens on behalf of all Bowen Broken Water Supply Scheme Irrigators.**

Our points of concern are as follows:

- The Operating Cost Allocation **must** remain at three to one (as it currently stands) for High Priority and Medium Priority Allocations. Medium Priority has a very low reliability in the BBWSS compared with many other schemes. The vast majority of water allocations in the BBWSS are for High Priority uses (approximately 47,000 mgl HP as opposed 5200 mgl MP) and as such HP users must bear the greater proportion of cost. Medium Priority users have had a period of zero allocation for up to four years in a row. A larger part A charge would be unsustainable during these periods. The principle of charging for water in **user pays** and as Medium Priority irrigators if we use it we are more than willing to pay a fair price. If the product cannot be supplied by Sunwater then we should not pay.
- The Bowen Broken Rivers supply a large part of the downstream flows of the Burdekin River, particularly in the latter dryer half of the year. On the day of the meeting QCA held at the Clare Club, 25% of the water flowing under the Burdekin Bridge at Home Hill came from the Bowen Broken Systems. Sunwater utilises these flows throughout the year to restrict releases from the Burdekin Falls Dam to supply the BRIA. Currently the Burdekin River and Channel Irrigators **do not contribute** to the maintenance of any part of the BBWSS. If a benefit is derived by downstream irrigators, a contribution to maintenance is required.
- The allocations that the North and South Burdekin Water Boards used prior to the Burdekin Falls Dam being constructed were being supplied with controlled flow releases from Eungella Dam and Collinsville weir. That same water is still flowing into the Burdekin River today. To allocate all the Lower Burdekin MP allocations to the Burdekin Falls Dam is incorrect as Sunwater relies on in stream flows from the Bowen and Broken Rivers to increase reliability to its Burdekin customers.
- The pricing of Medium Priority water in the BBWSS must be priced at a similar level to that being paid by river irrigators in the Burdekin. The BBWSS has a much lower level of reliability than the Burdekin scheme. Bowen Broken Irrigators are unable to grow any perennial crops (sugarcane) or orchards due to our low level of reliability. Pricing must reflect BBWSS Medium Priority delivery reliability and be priced at least at Burdekin River prices or lower.
- BBWSS High Priority uses receive the vast majority of the stored water with an extremely high level of reliability. As such HP user contribution to maintenance and overhead costs needs to reflect their delivery reliability and should be substantially higher.
- There is currently no communication between Sunwater and BBWSS Irrigators on when releases from upstream storages occur. If an Irrigator orders water to be delivered down the river, Sunwater does not let the remaining Irrigators know that this is taking place. Irrigation scheduling could be coordinated for much better water efficiency for the scheme as a whole.

- Prudent overhead costs must be addressed by the QCA. For example the BBWSS Consultants Report has a figure of \$29,500 for customer support. There are only six irrigators in the BBWSS. We do not receive any phone calls, verbal updates, text messages, emails or letters about impending releases from upstream storages. Irrigators do not get one dollar of customer support from Sunwater. These overhead costs need to be fully explained by Sunwater before we will accept them.
- We do not have a service level agreement. To pay for a product that is never guaranteed, rarely arrives when asked for, and is priced far above downstream river irrigators is not meeting minimum customer requirements. BBWSS irrigators receive very little benefit from upstream storages as it is a scheme that is over allocated as far as stored water is concerned. BBWSS irrigators rely mostly on in stream flows for our irrigation water, not delivered stored water by Sunwater.
- The information provided by Sunwater to the QCA for price path negotiations falls along way short of what is required to make an educated judgement. For the QCA to say at the meeting on the 5<sup>th</sup> of April that they have received only *“about three fifths of the information that they require”* is appalling from a government owned corporation. Sunwater must supply all the information required for this process.
- QCA must talk to the irrigators in the BBWSS scheme about our situation as an individual water supply scheme under our current pricing arrangements. If we are charged Burdekin River Prices then we are happy to be a part of the Burdekin River and Channel price negotiations and meet in Clare otherwise the QCA needs to travel to Collinsville and engage with BBWSS irrigators about our stand alone issues.

Thank you for the opportunity to present our concerns.